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Created by: Legal department Approved by: Legal representative	Issue No. 1 dated: March 2012 Amendment No. 3 dated: July 2013	

1. General principles and scope of application

1.1 These General Terms and Conditions of Sale (GTCS) apply to all transactions with our customers (hereafter: "Buyer"). The GTCS only apply if the Buyer is an entrepreneur (Sec. 14 German Civil Code: a natural or legal person or a partnership with legal personality who or which, when entering into a legal transaction, acts in exercise of his or its trade, business or profession), a juridical person under public law, or a special fund under public law.

Our GTCS apply exclusively!!

No Buyer's General Terms and Conditions, in conflict with or supplementary to these GTCS shall form part of the Contract without our explicit consent.

1.2 The terms used in the GTCS have the following meanings:

"Seller": RADICI CHEMIEFASER GmbH

"Buyer": counterparty to the sales contract

"Party": Seller or Buyer

"The Parties": both the Seller and the Buyer

"Product(s)": good(s) and/or services to be delivered

"Contract": the order confirmation, the GTCS and any other signed agreement between the Parties

"Order confirmation": the written confirmation from the Seller to the Buyer in respect of the delivery of the Product(s)

1.3 The Seller retains the right to change or amend these GTCS, whereby such changes shall be attached to the offer (or other written correspondence) provided to the Buyer. These changes are accepted by the Buyer if no objection is received from the Buyer within 15 (fifteen) days from receipt or in the correspondence directly thereafter.

1.4 In individual instances in which specific individual agreements with the Buyer are made (including side agreements, supplements and amendments), such individual agreements prevail over these GTCS. The contents of such agreements are subject to written contract or Seller written confirmation.

1.5 Legally relevant declarations and notifications to be submitted to the Seller by the Buyer after conclusion of the Contract (e.g. setting of deadlines, notifications of defects, declaration of cancellation or reduction) are to be made in writing.

2. Offer and acceptance

2.1 Our offers are subject to change and are non-binding. This also applies if we have given to the Buyer catalogues, technical documents (e.g. safety data sheets, samples), other product specifications or other documents, including in electronic form, to which we reserve the right of property and copyright. Any offers provided by agents or representatives of the Seller require a written confirmation from us.

2.2 An order issued by the Buyer represents a binding contract offer. Unless contrary information is contained within the offer, we are entitled to accept this contract offer within 1 (one) week of receipt by us.

2.3 Acceptance can be made in writing (e.g. by order confirmation) or by delivery of the goods to the Buyer.

3. Technical documents and samples

3.1 The Buyer declares that he has negotiated each Contract directly with the Seller, and he has been provided with satisfactory information in respect of the technical, structural and commercial properties of the Product.

3.2 The Parties agree that the properties, prices, weights, colours, yield and other data included in the catalogues, price lists or other prospect information provided by the Seller, as well as samples provided, are indicative in character and non-binding unless otherwise stated in the Seller's order confirmation.

4. Packaging

4.1 The Seller will, if necessary, on the invoice or in another attached document provide a list stating the quantity of packaging materials used which are and remain the property of the Seller, such as spools, cores, pallets, euro pallets and pallet cages. These materials are provided to the Buyer at no charge on a temporary basis, and must be returned to the Seller no later than 90 (ninety) days after delivery, or 120 (one hundred and twenty) days in the case of delivery by sea

freight. The conditions for the return of the packaging materials are as agreed and as stated on the order confirmation.

4.2 The Buyer is obliged to compensate the Seller for the replacement cost of new packaging in case of failure to return the packaging materials within the periods agreed, or for the replacement of damaged packaging returned to the Seller; the Parties are already in agreement that the Seller is entitled to raise charges in respect of these amounts.

5. Delivery and transfer of risk

5.1 In absence of any other agreement in the order confirmation or in the invoice, the Products are delivered Ex-Works. Reference to commercial contract terms (EXW, FCA, DAP, CIF or others) are made in accordance with the Incoterms 2010 definitions.

5.2 Unless specifically otherwise agreed between the Parties, the stated delivery dates are not binding and may reasonably be extended by the Seller. The Seller undertakes to do everything within his power to ensure delivery by the agreed date. To the extent that we cannot observe binding delivery deadlines for reasons beyond our control (non-availability of the service), we shall inform the Buyer hereof immediately and at the same time inform the Buyer of the expected new delivery date. Should the service not be available within the new delivery timetable, we are entitled to withdraw from the Contract in part or in full; we will make repayment, without delay, of any sum already received (i.e. advance payment, down payment,...) in exchange from the Buyer.

5.3 The Seller will make partial deliveries by initially supplying available Products and delivering the balance upon availability. The non-availability of a part of the Product is not grounds for termination of the Contract, which remains valid for the portion which can be fulfilled.

5.4 Whether delivery is in default will be determined according to statutory law; we are liable only for damages which can be proven and which have been incurred. In all cases a written warning from the Buyer is required.

5.5 The Buyer's rights under these GTCS and our statutory rights, in particular the exclusion of performance obligations (e.g. due to impossibility or unreasonableness of performance and/or supplementary performance) remain unaffected.

6. Delivery, passing of risk, acceptance, delay in acceptance

6.1 Delivery is Ex-Works at the place of fulfilment. The goods may be delivered to another place at the request and the cost of the Buyer (shipment purchase). Unless otherwise agreed, we are entitled to determine the method of despatch (in particular the carrier, transport route and packaging).

6.2 The risk of accidental loss and accidental damage is transferred to the Buyer no later than delivery. The risk of accidental loss, accidental damage and delay is transferred at the point of delivery to the carrier, freight forwarder or other person or institution employed for transport. If acceptance has been agreed, then acceptance determines the passing of risk. The statutory provisions of the law applicable to contracts for services shall apply analogously in other respects to an agreed acceptance. It is deemed equivalent to the handover or acceptance if the Buyer is in default with the acceptance.

6.3 Irrespective of other claims, the Buyer is obliged to document any transport damage on the Bill of Lading.

6.4 If the Buyer is in default of acceptance or if he fails to perform an act of cooperation, or if our delivery is delayed for other reasons for which the Buyer is responsible, we are entitled to demand compensation for any loss thereby incurred, including compensation for any additional costs incurred (e.g. storage costs, hauliers' waiting charges).

7. Price and payment

7.1 The price of the Product is the Ex-Works price, unless otherwise agreed in the order confirmation.

The acceptance of responsibility for the payment of transport costs does not imply any change in the performance and/or of the place of transfer of risk of loss/damage.

7.2 Unless otherwise agreed, the purchase price is due and payable within 30 (thirty) days from the date of issue of the

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invoice and delivery or acceptance (in accordance with Sec. 6), unless prepayment or down payment was specifically agreed.

- 7.3 Upon expiry of the above payment due dates the Buyer is in default. Interest is to be paid on the purchase price at the respective applicable statutory interest rate for default for as long as payment is in default. We reserve the right to claim any further damages arising from default. Our entitlement to commercial maturity interest (Sec. 353 German Commercial Code) remains unaffected.
- 7.4 The Buyer only has rights of lien and set-off to the extent that his claim has been legally determined as valid or undisputed. If the Product(s) delivered are faulty the Buyer's rights remain unaffected in particular by these GTCS.
- 7.5 If after the conclusion of the Contract it becomes apparent that our claim for payment of the purchase price is jeopardized by the Customer's inability to pay (e.g. if an application for the commencement of insolvency proceedings is made), we shall be entitled in accordance with the provisions of law to refuse to perform and – after fixing a time limit if necessary – to withdraw from the Contract (Sec. 321 German Civil Code). We are entitled to withdraw immediately from contracts for the manufacture of items for which continued activity would be unreasonable (manufacturing contracts for goods with unique specifications); the statutory regulations dispensing with the requirement to set a deadline remain unaffected.

8. Resale prohibited

It is an important provision of the Contract that the Products are supplied to the Buyer for further processing. Accordingly the Buyer is prohibited from selling the Products in the original state in which they are provided by the Seller to the Buyer, unless specifically permitted in writing by the Seller in advance.

9. Claims for defects

- 9.1 Statutory regulations shall apply to the Buyer's rights regarding material defects and defects of title unless specified differently below. In all cases the following are unaffected:
The special legal provisions applying to the ultimate delivery of the goods to a consumer (suppliers' recourse according to Secs. 478 and 479 of the German Civil Code).
- 9.2 The primary basis of our liability for defects shall be the agreement made concerning the product description of the goods. Agreed product descriptions that are the subject matter of the respective Contract are product descriptions (including those of the manufacturer) provided to the Buyer before the placing of the order or made part of the Contract in the same way as these GTCS.
- 9.3 If no product description was agreed, the presence or absence of a defect shall be determined based on the statutory regulations (Sec. 434 Para. 1 (2) and (3) of the German Civil Code). However, we shall not be held liable for any public statements by the manufacturer or other third parties (e.g. advertising statements).
- 9.4 The warranty claims of the Buyer require that he has complied with his obligation to examine the goods and give notice of the defects pursuant to Secs. 377 and 381 of the German Commercial Code. Defects discovered on inspection or at a later date shall be notified to us in writing without delay. A notification has been made without delay when made within 2 (two) weeks, whereby the timely despatch of the notification is sufficient for this purpose. Irrespective of the obligation to examine the goods and to give notice of defects, the Buyer is required to give notice in writing of obvious defects within 2 (two) weeks of delivery, whereby also in such cases the timely despatch of the notification is sufficient for this purpose. If the Buyer fails to carry out the proper inspection and/or report of defects we are not liable for the unreported defects.
- 9.5 If the Product(s) delivered are defective, the Buyer may initially choose to have the defects corrected (rectification) or require a replacement delivery of goods free from defect (replacement). Should the Buyer not state a choice between the two alternative remedies, we are entitled to set a deadline

for the Buyer to state such a choice. Should the Buyer not indicate a choice within the deadline stated, the choice of remedies is transferred to us.

- 9.6 We are entitled to replacement/rectification depending on whether the Buyer has made payment of amounts due. However, the Buyer is entitled to retain a part of the purchase price reasonable in proportion to the defect.
- 9.7 The Buyer shall allow us the necessary time and opportunity for due replacement/rectification, and shall in particular hand over the goods concerned for inspection. Where replacement deliveries are made the Buyer is required, in accordance with statutory requirements, to return the defective goods to us. Replacement/rectification does not include the removal of the defective Product(s) or reinstallation, if we were not originally under obligation for the installation of the Product(s).
- 9.8 Expenses necessarily incurred in inspection work and replacement/rectification, including transport, moving, labour and material costs (not removal and installation costs) will be carried by us if the cause is due to a proven defect. However, should defect remedy request by the Buyer prove to be invalid, we are entitled to claim compensation from the Buyer for the costs incurred.
- 9.9 In urgent cases, e.g. where the safety of operations is affected or in order to prevent excessive damage or loss, the Buyer is entitled to correct the defects and to claim reasonable compensation for the costs incurred. In such circumstances we are to be informed without delay, if possible prior to the commencement of work. The Buyer's right to perform his own rectification of defects shall not apply if we would be entitled to refuse the relevant replacement/rectification in accordance with statutory provisions.
- 9.10 If replacement/rectification fails or a reasonable deadline for the replacement/rectification has elapsed, the Buyer is entitled to withdraw from the Contract or reduce the purchase price. However, the right to withdraw from the Contract does not extend to immaterial defects.
- 9.11 Claims of the Buyer to compensation or reimbursement of expenses shall only be allowed within the context of Sec. 12 below, and are otherwise excluded.

10. Force majeure

Neither Party shall be liable for failure to perform any of its obligations under this Agreement, irrespective of obligations to pay any amounts due or issue any guarantee, if circumstances beyond the reasonable control of such Party, or strikes, operational performance loss or temporary plant closures, or the inability of the Seller to obtain materials or supplies from its usual sources under reasonable economic conditions, prevent, delay or create obstacles to the fulfilment of the contract ("force majeure"). Should a force majeure event at one or more of the suppliers of the Seller result in the Seller only being able to produce a lower quantity of its Product(s) than it is obliged to divide the lower quantity of the Product(s) between the Buyer and its other customers on a reasonable and sensible basis. The Seller cannot be required to purchase goods to compensate for Product(s) lost as a result of force majeure events. In such cases the Buyer can purchase the missing quantity of Product(s) from other sources at the Buyer's own risk and cost.

11. Retention of title

- 11.1 We retain title to the Product(s) sold until the full payment received under the purchase contract and current business relationship (secured receivables).
- 11.2 The Product(s) under retention of title may not be used as collateral nor provided as security for the benefit of third parties until payment has been made in full. The Buyer is obliged to inform us without delay if, and to the extent that, third parties are provided access to the Product(s) which belong to us.
- 11.3 If the Buyer breaches the terms of the contract, in particular through default of payment, we are entitled, in accordance with statutory provisions, to withdraw from the Contract and demand return of the Product(s) due to the reservation of title and cancellation of the Contract. If the Buyer does not pay the

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purchase price due, we may assert these rights only if we have, without result, first set the Buyer an appropriate time limit for payment, or if statutory provisions provide that the setting of a time limit is not required.

11.4 The Buyer is entitled to sell and/or process the goods under retention of title in the ordinary course of business and under consideration of Sec. 8. In these circumstances the following additional provisions apply:

(a) The reservation of title covers the products which are produced by processing, mixing or combination of our goods at their full value, whereby we are deemed the manufacturer. If in the case of processing, mixing or combining with third party goods the latter's retention of title still applies, we shall acquire joint ownership in proportion to the invoice values of the processed, mixed or combined goods. In all other aspects the same terms and conditions apply to the ensuing products as applies to the goods delivered subject to retention of title.

(b) The amounts owed to the Buyer by third parties as a result of the resale of the goods or products are assigned to us as security by the Buyer in total or to the extent of our co-ownership share pursuant to the above. We accept the assignment herewith. The obligations of the Buyer stated in Sec. 2 shall also apply to the assigned claims.

(c) The Buyer shall remain authorised to collect the claim in addition to ourselves. However, we are obliged not to collect the outstanding amounts as long as the Buyer fulfils his payment obligations, is not having any overdue payments, there isn't any application for opening of insolvency proceedings against the Buyer, and there aren't other risks of the Buyer's non-performance. If this is the case, however, we can demand that the Buyer make its accrued claims and its debtors known to us, report all necessary information for collection, hand over the corresponding documentation, and inform the debtors (third parties) of the surrender of title to the debt.

(d) If the aggregate value of the collateral at our disposal exceeds our claims by more than 10%, we are prepared, upon request by the customer, to release the Buyer's collateral chosen at our discretion.

12. Other liabilities

12.1 Unless otherwise stated in these GTCS, including the following provisions, we shall be liable in case of a breach of contractual and non-contractual duties in accordance with the relevant statutory provisions.

12.2 We shall be liable for damages – irrespective of the legal grounds – in case of wilful intent and gross negligence. In case of ordinary negligence, we are only liable for:

(a) Damages arising from liability for fatalities, physical injury or damage to health

(b) Losses arising from the breach of important contractual obligations (obligations the proper fulfilment of which constitutes a condition sine qua non and on the fulfilment of which the customer regularly relies and may rely); in such cases, our liability is limited to the foreseeable, typical damages arising

12.3 The liability limitations in Sec. 2 do not apply if contradicted by a statutory legislation compulsorily applicable. The same shall apply for claims of the Buyer according to the Product Liability Act.

12.4 The Buyer may withdraw from the Contract on the grounds of breach of contract not based on a defect of the goods only if and when we are at fault for such a breach. A free right of cancellation for the customer (in particular in accordance with Secs. 651 and 649 of the German Civil Code) is excluded. Otherwise, statutory legal preconditions and legal consequences apply.

13. Expiry of liability

13.1 Notwithstanding Sec. 438 Para. 1 (3) of the German Civil Code, the general statute of limitations for claims from defects of quality and title is one year from delivery as defined in Sec. 6. Where acceptance is agreed, the limitation period begins with acceptance.

13.2 The above provisions concerning the statute of limitations of the purchase right apply to contractual and non-contractual damage claims raised by the Buyer in respect of defects in the Product(s) unless the application of normal statutory legal limitations (Sec. 195, 199 of the German Civil Code) provides shorter periods in individual cases. The periods of limitation under the Product Liability Act and other legal provisions compulsorily applicable shall remain unaffected. In all other cases the periods of limitation provided by law apply to the Buyer's damage claims.

14. Interpretation, changes

14.1 Any reference to price lists, GTCS or other Seller's material refers to documents in the version valid at the date such reference is made.

14.2 Any changes or amendments made by the Parties to the Contract to which these GTCS apply must be made in writing to ensure those provisions are not disregarded.

14.3 Any deviation from one or more of the provisions of these GTCS shall not be considered as generally applicable or applicable in analogy, and does not imply the intention of the Parties that the GTCS as a whole shall not be applied.

15. Data protection

15.1 The Buyer will provide the data necessary and useful for the performance of obligations under this Contract, as well as those necessary to meet specific statutory obligations.

15.2 The Seller and the Buyer will comply with applicable data statutory protection legislation, including required amendments to security measures as necessary.

16. Jurisdiction

If the Buyer is an entrepreneur in the sense of the German Civil Code, a juridical person under public law, or a special fund under public law, the place of jurisdiction for all legal disputes – including international disputes – arising directly or indirectly under this Contract is our domicile, Hof, Saale. We are however also entitled to raise claims at courts in the Buyer's legal jurisdiction.

17. Applicable law

These GTCS and all legal relations between the Buyer and Seller shall be governed by the laws of the Federal Republic of Germany. The UN purchase law or any other international uniform law shall not be applicable. The requirements of the effects of the retention of title provisions of Sec. 11 shall be governed by the law in force at the place where the goods are stored if, under that law, the choice of German law is not applicable or is unworkable.